

## REMARKS/ARGUMENTS

Claim 1 has been amended to correct informalities in response to the Examiner's §112, second paragraph rejection. Particularly, the word "financial" was eliminated from the term "financial value stream" in line 8.

The Examiner rejected claims 1-22 under 35 U.S.C. §102(e), as being anticipated by U.S. Patent No. 5,918,232 of Pouschine et al. ("Pouschine"). For the reasons stated below, Applicant asserts that all of the pending claims are allowable over Pouschine.

As discussed more fully and completely below, Pouschine does not teach a system or method for processing data relating to **the performance of a business enterprise in creating value**. In fact, the terms "value creation" and "creating value" do not appear anywhere in Pouschine. All independent claims (i.e., claims 1, 5, 10, 14, and 18) relate to value creation, as described in the pending application, and include related claim limitations. Since Pouschine does not teach value creation, it cannot anticipate nor render obvious any of the pending claims.

### *General contextual comments*

The present invention and Pouschine are inventions in fundamentally different fields of art. The Pouschine invention "relates generally to database manipulation techniques, and more particularly to analytical processing methods". It is a technical approach that seeks to improve modeling in connection with relational databases and appropriate query languages. Pouschine does not deal with the content of the modeling but rather the technical mechanics of implementing it - including the concept of dealing with more than the three physical dimensions by using an n-dimensional "hyper structure".

In contrast, the present invention focuses more on what is being modeled (assumptions, events, future value streams, etc.) and not so much on the mechanics of the modeling (whether the databases are relational, object-oriented, hyperstructural, or some other format). As a simple illustration, the claimed methods have, in fact, been implemented

on "books" of spreadsheets. But it would be wrong to infer from that fact that spreadsheet methodology anticipated the claimed inventions. That would be analogous to asserting that a hammer anticipated every possible future architectural building involving nails, or the invention of the dictionary anticipated every possible future literary creation involving words. To do so would be to confuse two quite separate domains. In this regard, the present invention involves business concept-oriented methods for looking at value streams based on event-driven assumptions, while Pouschine involves technical tool-oriented mechanics for manipulating cells in databases.

The present invention provides a method for broadening conventional periodic historical financial reporting to include "value creation" concepts based on assumptions as to future financial and non-financial value creation seen from, not just the shareholders', but many different stakeholders' perspectives, reported on a real-time basis, and permitting users to have access to the underlying model to input their own assumptions (in contrast to merely reading published quarterly financial reports as they do today). The present invention could be employed on existing relational database and query language technology and is not dependent on the Pouschine technological improvements.

There are a few superficial similarities in language and certain terms used in Pouschine and the present invention, and these similarities may have led the Examiner to conclude that Pouschine revealed prior art relevant to the present invention. However, as will be discussed in detail below, this conclusion cannot be sustained by a careful analysis of the Pouschine disclosures in relation to the elements recited in the pending patent claims.

**A. Independent Claim 1.**

**1. Value Creation.**

On page 3 of the Office action, the Examiner asserts that Pouschine discloses "a method of processing data relating to the performance of a business enterprise in creating value." However, the term "value creation" or "creating value" does not appear anywhere in Pouschine. Instead, Pouschine positions its invention as being useful in relation to analyzing the effect of different variables on business performance. Pouschine does not acknowledge

anywhere the fundamental distinction referred to in the pending application between business performance in value realization versus value creation, which is discussed in detail in the pending application (see e.g., Pending application at pages 9-10).

Therefore it cannot be correct to assert that Pouschine discloses “a method of processing data relating to the performance of a business enterprise in creating value.” Because Pouschine does not disclose this element of claim 1, Pouschine cannot anticipate claim 1.

**2. Data Structure with Multi-level Hierarchy where assumed variables at a lower level influence variables at a higher level.**

The Examiner further asserts that Pouschine “discloses a hyperstructure for modeling variables of an enterprise where the hyperstructure represents a hierarchical relationship among the variables.” The Examiner asserts that this disclosure reads on the claim limitation relating to “developing a data structure including assumed variables that have an influence on a value stream of the business enterprise, the assumed variables in said data structure being arranged in a multi-level hierarchy in which assumed variables positioned at a lower level in the hierarchy influence one or more assumed variables positioned at a higher level in the hierarchy.”

The key issues arising in this context include:

- a) the use of the term “hierarchy”, and whether there is any resemblance between the Pouschine hierarchy and the claimed hierarchy; and
- b) what the relationship is between variables at lower and higher levels in hierarchies in Pouschine and the claimed invention.

Let us first examine the use of the term hierarchy in Pouschine and the claimed invention. A close analysis reveals that the only thing that Pouschine and the claimed have in common in this context is the use of the word “hierarchy”. In every material respect, however, the Pouschine hierarchy and the claimed hierarchy are fundamentally different. Specifically, Pouschine does not disclose a hierarchy, as recited in the claimed invention, where “assumed

**variables positioned at a lower level in the hierarchy influence one or more assumed variables positioned at a higher level in the hierarchy.”**

It is technically incorrect to assert that Pouschine “discloses a hyperstructure for modeling variables of an enterprise where the hyperstructure represents a hierarchical relationship among the variables.” A hyperstructure in Pouschine does not in fact represent a hierarchical relationship among the variables. A hyperstructure in Pouschine is rather like a multidimensional spreadsheet. A typical spreadsheet has only two dimensions represented by rows and columns. Pouschine describes a hyperstructure has having a plurality of independent dimensions. (Pouschine at col. 4, line 31). Examples of dimensions include Finance, Time, Geography, etc. (Pouschine at col. 10, line 28). Each dimension has at least one element. (Pouschine at col. 4, line 32). Elements can represent quantitative values such as money, inventory, etc. or qualifier elements such as customers, regions, cost centers, etc. (Pouschine at col. 10, lines 48-51).

The primary function of the Pouschine hyperstructure is to facilitate determining the value of “cells”, each of which is associated with the intersection of at least two elements. (Pouschine at col. 4, line 33). The Pouschine hyperstructure does not in fact represent a hierarchical relationship among variables. The hyperstructure itself is made up of independent dimensions. What is hierarchical is the relationship between parent and child elements. Lower levels in this hierarchy (children, grandchildren) imply going deeper inside the hyperstructure, to lower and lower levels of detail.

Use of the term “hierarchy” in Pouschine refers to the relationship between “parent” elements and “child” elements. (Pouschine at col. 7, line 8-9). The example Pouschine gives to illustrate this is the Geography element, which is the parent of various “child” elements such as U.S., Europe, Asia, etc. Thus, Pouschine uses “hierarchy” in the well-established sense of Object-Oriented Programming in which the concept of “inheritance” occurs, whereby a “child” class inherits from the “parent” class, a “grandchild” class inherits from a “child” class, and so on. In Object-Oriented Programming, “hierarchy” is a top-down affair

in which a given level influences (through "inheritance") lower levels but **not** vice versa.

In complete contrast, the claimed invention uses the term "hierarchy" in a bottom-up aggregating sense. (See e.g., Pending application at page 29, lines 7-21). High-level assumptions are simply the summarized effect of lower-level detailed assumptions. Low-level details influence high-level summaries and not vice-versa. An example of a higher-level assumption is that an event has a 50% probability of occurring within a six month period. This higher level assumption is influenced by lower level assumptions relating to the probability of a specific event occurring in each of the six months (i.e., 30% for the first month, 10% for the second month, 7% for the third month and 1% for each of the fourth, fifth and sixth months).

If a user concluded that the probability in the second month was only 5% rather than 10%, then the result of this change at a lower level in the hierarchy would be that the higher level variable would be reduced to 45% in this example. It is in this way that variables at a lower level in the event matrix hierarchy influence variables at a higher level in the hierarchy.

Thus, the relationship between higher and lower level variables in claimed invention is not the same as the relationship between parent and child variables in Pouschine. In the example given in Pouschine, the elements at the child level (e.g., U.S., Europe, Asia) do not influence the parent level (Geography).

Thus it can be seen that there are quite fundamental differences between the Pouschine hierarchy and the claimed hierarchy. Specifically, the Pouschine hierarchy does not satisfy the claimed limitation that **"assumed variables positioned at a lower level of the hierarchy influence one or more assumed variables positioned at a higher level in the hierarchy."** Because this limitation is not found in Pouschine, Pouschine cannot anticipate claim 1 on this independent basis.

**3. Determining a first outcome for the financial value stream of the business enterprise based on the assumed variables.**

The Examiner further asserts on page 3 of the Office action that Pouschine's disclosures with respect to "determining the outcome of business modeling based on various time, organization and finance dimensions using a calculation engine" read on the claimed invention with respect to the limitation of "determining a first outcome for the financial value stream of the business enterprise based on the assumed variables."

The sections of the Pouschine disclosure cited (i.e., col. 9, line 57 – col. 10, line 55; col. 15, lines 33-66) describe the operation of a "datacube" or "hypercube". A hypercube can be envisioned as composed of various dimensions and elements. At the intersection of two or more dimensions is a plurality of cells. Again, using the spreadsheet example referred to above, we can envision this as a multi-dimensional spreadsheet with more dimensions than the columns and rows of a two dimensional spreadsheet. Just as the intersection of each column and row defines the cells in a two-dimensional spreadsheet, so the intersection of two or more dimensions defines the cells in a hypercube.

Superimposed on the hypercube are one or more rule domains. Each rule domain includes "one or more rules for assigning values to the associated cells." (Pouschine, col. 4, line 38-39). To illustrate using our spreadsheet analogy, rule domains are analogous to the formulas used in a spreadsheet to calculate cell values. In the Pouschine invention, the formulas are in effect independent of particular cells, but may be related to one or more cells. A "Domain Modeling Rule Set" is used to prioritize the rules for purposes of calculating the values associated with each cell in the hyperstructure.

The illustration found in col. 10, lines 25-46 of Pouschine refers to a Time dimension having the elements 1994, 1995, 1996, and the set of four quarters for each of those years. Combined with other dimensions (such as Organizational units, or Geography), it can be seen that the Pouschine invention can be used, for example, to calculate the value of a cell lying at the intersection of:

- revenue;
- the first quarter of 1996;
- the "XYZ" business unit;
- the western region of the United States.

We now compare the Pouschine methods described above with the claimed method for "determining a first outcome for the financial value stream of the business enterprise based on the assumed variables." It becomes apparent that there are fundamental differences.

*a. The claimed invention focuses on calculations related to value streams of a business enterprise, whereas Pouschine does not.*

In the pending application, a value stream for a business enterprise is defined as "an aggregation of financial and non-financial benefits flowing to the business." (Pending application at page 9, lines 4-7). A financial value stream refers "to those benefits that are reducible to cash or cash equivalents." (Pending application at page 9, lines 9-10).

Pouschine makes clear that its focus is on "physical objects and activities" (Pouschine at col. 4, line 26, col. 35, line 6-7, col. 38, line 43). Physical objects and activities do not constitute a value stream, nor can they be aggregated to constitute one. The term "value stream" does not appear in Pouschine, nor is the concept of an "aggregation of financial and non-financial benefits" disclosed or described. Consequently, it is clear that Pouschine does not disclose methods related to modeling value streams, as set forth in claim 1.

*B. Pouschine focuses on calculating cell values that represent subdivisions of time, such as quarters within a fiscal year. By contrast, the claimed invention involves "value streams", i.e., aggregations of benefits over time, for example in the form of a "present value".*

By its very nature, the process of calculating the present value of a future stream of financial benefits yields a result that focuses on the value, in today's dollars, of the cumulative total of the value stream over time.

While both Pouschine and the present invention refer to “time”, time-related concepts play fundamentally different roles in Pouschine than in the present invention. The Pouschine examples referred to above focus on subdividing business performance into subdivisions of time, through the calculation of cell values.

By contrast, the present invention focuses on determining the value over time of value streams determined in accordance with the methods disclosed in the present invention. The focus of the present invention is not to subdivide business performance into subdivisions of time, but rather to project value creation performance over spans of time.

Thus, Pouschine does not disclose methods that read on the claimed method. Particularly, nowhere does Pouschine disclose methods for calculating a first outcome (e.g., present value) for a financial value stream of a business enterprise based on the assumed variables. Because this limitation is not found in Pouschine, Pouschine cannot anticipate claim 1 on this independent basis.

**4. Authorizing a user to alter one or more of the assumed variables.**

The Examiner further asserts that Pouschine’s disclosures related to “allowing users to alter variables in the hierarchy to conduct “what-if” analysis read on the claimed limitation of “authorizing a user to alter one or more of the assumed variables according to a level of the hierarchy in which the assumed variables are positioned.”

However, the relevant claimed limitation does not relate simply to the ability for users to conduct “what-if” analysis. The claimed limitation relate specifically to giving users authorization to alter specific sets of variables based on the level of the hierarchy of the assumed variables. Pouschine makes reference to User Entered Values (UEVs) (for example, at col. 14, line 64) that can, among other purposes, be used for “what-if” analysis. However, Pouschine does not refer to *authorizing* users to alter specific sets of assumptions, or to placing any limitation on the ability of users to alter variables based on the level of the hierarchy in which the assumed variables are positioned. Pouschine does not mention, for



instance, authorizing certain users to alter "parent" elements in a hyperstructure, and authorizing certain other users to alter "child" elements in a hyperstructure.

Consequently, it is not reasonable to conclude that the Pouschine references cited could read on the claimed limitation relating to authorizing users to alter assumptions under the conditions specified. Because this limitation is not found in Pouschine, Pouschine cannot anticipate claim 1 on this independent basis.

**5. Determining a second outcome for the value stream of the business enterprise taking into account the altered assumed variables.**

On pages 3 and 4 of the Office action, the Examiner suggests that references in Pouschine to "determining the outcome of business modeling based on various time, organization and finance dimensions using a calculation engine", and the ability for users to "alter the variables any number of times during the modeling to view the various outcomes" read on the claim limitation related to "determining a second outcome for the value stream of the business enterprise taking into account the altered assumed variables."

We have already established above that Pouschine does not disclose methods relevant to determining the outcome of a value stream of a business enterprise. However, it should further be noted that User Entered Values (UEVs) as defined in Pouschine are not the equivalent of user-altered assumed variables in the claimed invention.

According to Pouschine in col. 17, line 34, "the action of UEV's is simply to supply a constant value", in contrast to the values that would otherwise be generated for a particular cell in a hyperstructure.

By contrast, in the claimed invention, the method specifically enables users and groups of users to alter assumptions about events and other assumed variables in order to

create their own set of financial and non-financial outcomes. Assumed variables altered by users in the claimed invention may substitute for assumptions made by other users, not for values that would otherwise be calculated were it not for the "UEV". In effect, in the claimed invention, assumed variables are "user-entered variables". The question is which user or stakeholder perspective (and the associated variables) is relevant, not whether a single user selectively supplies a UEV as a constant value for a cell that would otherwise contain a value calculated by Pouschine's rule domains.

Consequently, it is not reasonable to conclude that the Pouschine references cited could read on the above-delineated claimed limitation. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 1 on this independent basis.

For all of the foregoing independent reasons, Pouschine cannot anticipate claim 1 or any claims depending from claim 1 (e.g., claims 2-4).

**B. Dependent Claim 2.**

For all of the reasons listed above, Pouschine does not anticipate claim 2. Claim 2 is further independently patentable over Pouschine for the following reasons.

On page 4 of the Office action, the Examiner suggests that Pouschine discloses methods "wherein the first outcome includes a present financial value of the value stream." As noted above, nowhere in Pouschine is there a reference to "present value" calculations. In finance, a "present financial value" represents the value in today's currency of either a "future value" (for instance, a payment to be received at some date in the future), or a stream of future values (such as an annuity). Present value calculations are widely used in business finance and banking. The pending application discloses various methods that apply and extend present value calculations for use in measuring the value creation performance of business enterprises.

Pouschine does not make any references whatsoever to present value calculations. Consequently, it is impossible to conclude based on the references cited that Pouschine discloses the method referred to in claim 2 relating to a present financial value of the value stream. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 2 on this additional and independent basis.

**C. Dependent Claim 3.**

For all of the reasons listed above, Pouschine does not anticipate claim 3.

**D. Dependent Claim 4.**

For all of the reasons listed above, Pouschine does not anticipate claim 4. Claim 4 is further patentable over Pouschine for the following additional and independent reasons.

On page 4 of the Office action, the Examiner refers to Pouschine references to User-Entered Variables, already discussed above. The Examiner further asserts that the reference “discloses identifying the user who alters the variables”, and that this reads on the claimed limitation of “storing, for each altered assumed variable, an identification of the user who made the alteration. In fact, nowhere in the Pouschine specification is there a specific reference to storing the identity of users who enter UEV’s into a Pouschine hyperstructure. There is no reference in Pouschine to enabling different users or groups of users to enter their unique assumptions about a set of defined variables, in order to enable comparisons between the assumptions made by different users or groups of users. In addition, Pouschine makes no reference to a user being able to access or view the UEV’s of other users.

In the pending application, one advantage of storing the identity of users who alter variables is to facilitate comparisons of the outcomes generated by a model from different sets of assumptions specified by different users or groups of users based on their differing perspectives. (See e.g., Pending application at page 36, line 30 – page 37, line 10). There is no analogous functionality provided by Pouschine.

The Examiner further asserts that Pouschine discloses “determining alternate outcomes for the value stream by changing the assumed variables in the what-if analyses”, and that this reads on the claim limitation of “determining alternative outcomes for the value stream of the business enterprise taking into account selected aggregations of the altered assumed variables wherein the selected aggregations are formed according to the stored identifications.”

We have already noted above that Pouschine methods have no relevance for calculating the outcome of value streams of a business enterprise. With respect to this specific claim, the Pouschine references do not in fact disclose methods by which one user or group of users is able to view alternative values for a cell of a hyperstructure based on using selected aggregations of UEV’s entered by another user or group of users. As noted above, there is no reference in Pouschine to enabling different users or groups of users to enter their unique assumptions about a common set of defined variables, in order to enable comparisons between the assumptions made by different users or groups of users.

Because Pouschine does not disclose the above-delineated limitations, Pouschine cannot anticipate claim 4 on these additional and independent bases.

**E. Independent Claims 5 and 18.**

The Examiner analyzes claims 5 and 18 together as they share some of the same elements. Applicants will likewise discuss these claims together. Claim 18 introduces a reference to events that will be discussed separately below.

The Examiner asserts that Pouschine discloses “a hyperstructure for modeling variables of an enterprise where the hyperstructure represents a hierarchical relationship among the variables. The hierarchical relationship defines a base scenario for the business enterprise. The relationship also accounts for time such as in past and future events.” On the basis of these disclosures, the Examiner asserts that the claim limitations relating to

“developing a data structure including a plurality of assumed variables that have an influence on a value stream of the business enterprise, the data structure having a portion which defines a base case scenario for the business enterprise” are found in Pouschine.

**1. Developing a data structure having a portion which defines a base case scenario for the business enterprise.**

The first issue is whether the Office Action is correct in asserting that the hierarchical relationship among the variables in Pouschine defines a base scenario for the business enterprise. It is hard to support this assertion based on the Pouschine specification. As noted in Section A. above, use of the term “hierarchy” in Pouschine refers to the relationship between “parent” elements and “child” elements. (Pouschine at col. 7, line 8-9). The example Pouschine gives to illustrate this is the Geography element, which is the parent of various “child” elements such as U.S., Europe, Asia, etc. There are only two occurrences of the word “scenario” in Pouschine. Pouschine asserts in col. 10, line 28 that “Scenario” could be one of a number of dimensions of a hyperstructure. The second reference to scenario in Pouschine is found in col. 34, line 19, which refers to the use of UEV’s to view hypothetical scenarios.

It is not possible to conclude from these references that the hierarchical relationships between parent and child elements in a hyperstructure define a base scenario for the business enterprise. At best, one could conclude that in Pouschine, it is the UEV’s that create the altered variables that allow the examination of different scenarios. But UEV’s are not part of a hierarchical relationship between parent and child elements. There is no evidence supporting the assertion that the hierarchical relationship among the variables in Pouschine defines a base scenario for the business enterprise based on the actual contents of the specification.

Consequently, it is impossible to conclude based on the references cited that Pouschine disclose the limitation referred to in claims 5 and 18 relating to a defining a base scenario for the business enterprise. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 5 or 18 on this independent basis.

**2. Determining an outcome for the value stream for the business enterprise.**

On page 5 of the Office action, the Examiner suggests that Pouschine discloses “determining the outcome of business modeling based on various time, organization and finance dimensions using a calculation engine.” However, the relevant claimed limitation relates not to business modeling per se, but more specifically to the calculation of outcomes related to a value stream of a business enterprise. We have already asserted above that the methods disclosed in Pouschine are not relevant to calculating outcomes for a value stream of a business enterprise. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 5 or 18 on this independent basis.

**3. Altering, by a plurality of users, selected one of the plurality assumed variables.**

For the reasons set forth in Sections A. 4. and D. above, this limitation is not disclosed in Pouschine. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 5 or 18 on this independent basis.

**4. Storing each altered assumed variable in a data structure.**

The Examiner refers to Pouschine references to storing the identity of users, already discussed in Section D. above. For the reasons set forth in Section D. above, this limitation is not disclosed in Pouschine. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 5 or 18 on this independent basis.

**5. Determining an outcome for the value stream of the business enterprise.**

As discussed above, the methods disclosed in Pouschine are not relevant to calculating outcomes for a value stream of a business enterprise. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 5 or 18 on this independent basis.

For all of the foregoing independent reasons, Pouschine cannot anticipate claim 1 or 18, or any claims depending from claim 5 or 18 (e.g., claims 6-9 and claims 19-22).

**F. Claim 18 is further independently patentable for the following reasons.**

In the Office action, the Examiner is effectively asserting that references in Pouschine to "time" are the equivalent of references in present invention to "past and future events". Applicants have already discussed above the distinction between subdivisions of time, which Pouschine is concerned with, versus calculating the present value of a value stream over a span of time, which is a major focus of the pending application.

It is also important to distinguish between time, or subdivisions of time, and events. It is true that all events occur in time. It is also true that if an event occurs, it does so at a specific time. However, whether events occur or do not occur, or whether they occur when anticipated, are variables that are for modeling purposes are independent of time. It is therefore incorrect to suggest, as set forth in the Office action, that there is no distinction between Pouschine's focus on subdivisions of time, and claimed invention's limitation regarding events and related assumptions. Claim 18 involves the linkage between events (and their occurrence or non-occurrence) and other underlying assumptions that influence the value streams of a business enterprise.

For these reasons, the limitations regarding events are related assumptions are not disclosed in Pouschine. Because Pouschine does not disclose these limitations, Pouschine cannot anticipate claim 18 on this additional and independent basis.

**G. Dependent Claims 6 and 19.**

On page 6 of the Office action, the Examiner again refers to Pouschine disclosures concerning a hierarchical relationship among the variables as being equivalent to Applicants' claim limitations regarding a multi-level hierarchy where variables at a lower level influence

variables at a higher level, as set forth in claims 6 and 19. Applicants incorporate the comments found in Section A.2. above.

For these reasons, the limitations regarding a multi-level hierarchy and the related variables are not disclosed in Pouschine. Because Pouschine does not disclose these limitations, Pouschine cannot anticipate claim 6 or 19 on this additional and independent basis.

**H. Dependent Claims 7 and 20.**

On page 7 of the Office action, the Examiner refers to Pouschine references to User-Entered Variables as being equivalent to the limitations found in claims 7 and 20. Applicants incorporate the comments found in Section A.4. and A.5. above.

For these reasons, the limitations of claims 7 and 20 are not disclosed in Pouschine. Because Pouschine does not disclose these limitations, Pouschine cannot anticipate claim 7 or 20 on this additional and independent basis.

**I. Dependent Claims 8 and 21.**

Claims 8 and 21 include limitations similar to claim 2 relating to a present value stream. On page 7, the Examiner refers sections of Pouschine similar to those cited against claim 2. Applicants incorporate the comments relating to claim 2 found in Section B. above. For these reasons, Pouschine cannot anticipate claim 8 or 19 on this additional and independent basis.

**J. Dependent Claims 9 and 22.**

For all of the reasons listed above in section E., Pouschine does not anticipate claims 9 and 22.

**K. Independent Claim 10.**



Claim 10 includes some elements similar to the above listed claims. With respect to similar elements, Applicants will incorporate by reference the assertions made above.

**1. Developing a data structure ... having a portion which defines a base case scenario for the business.**

With respect to this element, Applicants incorporate by reference the assertions made in section E.1. Since Pouschine does not disclose the limitation relating to a defining a base scenario for the business enterprise, Pouschine cannot anticipate claim 10 on this independent basis.

**2. Determining an outcome for the value stream of the business enterprise based upon the assumed variables of the base case scenario.**

With respect to this element, Applicants incorporate by reference the assertions made in section E.2. Since Pouschine does not disclose the limitation relating to a determining an outcome value stream for the business enterprise, Pouschine cannot anticipate claim 10 on this independent basis.

**3. Providing real-time feedback by users.**

On page 9 of the Office action, the Examiner asserts that Pouschine discloses “providing immediate feedback to users once the queries and the variables have been specified.” The Examiner asserts this is equivalent to Applicants’ limitation related to “providing real-time feedback, by each of a plurality of users, on the value creation performance of the business enterprise.”

In this context, the Examiner has failed to distinguish between feedback *to* users (an output), and real-time feedback *by* users (an input) on the value creation performance of the business enterprise. The pending application provides several examples on pages 19, 20, and 21 of situations in which users who are “stakeholders” such as customers or employees could be given the ability to provide feedback in real-time on company performance, which

feedback might then be incorporated in, and influence the outcome of, value creation calculations.

There are no disclosures in Pouschine that are in any way anticipatory of the claim limitation requiring feedback "by users". Thus, Pouschine cannot anticipate claim 10 on this independent basis.

**4. Storing feedback in association with an identified user.**

With respect to this element, Applicants incorporate by reference the assertions made in section D. above. Since Pouschine does not disclose storing the identity of users who enter UEV's into a hyperstructure, Pouschine cannot anticipate claim 10 on this independent basis.

**5. Determining an outcome for the value stream of the business enterprise based upon portions of the feedback and assumed variables.**

As discussed above, the methods disclosed in Pouschine are not relevant to calculating outcomes for a value stream of a business enterprise. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 10 on this independent basis.

For all of the foregoing independent reasons, Pouschine cannot anticipate claim 10 or any claims depending from claim 10 (e.g., claims 11-13).

**L. Dependent Claim 11.**

On page 9 of the Office action, the Examiner again refers to Pouschine disclosures concerning a hierarchical relationship among the variables as being equivalent to Applicants' claim limitations regarding a multi-level hierarchy where variables at a lower level influence variables at a higher level, as set forth in claim 11. Applicants incorporate the comments found in Section A.2. above.

For these reasons, the limitations regarding a multi-level hierarchy and the related variables are not disclosed in Pouschine. Because Pouschine does not disclose these limitations, Pouschine cannot anticipate claim 11 on this additional and independent basis.

**M. Dependent Claim 12.**

Claim 12 includes limitations similar to claim 2 relating to a present value stream. On page 9, the Examiner refers sections of Pouschine similar to those cited against claim 2. Applicants incorporate the comments relating to claim 2 found in Section B. above. For these reasons, Pouschine cannot anticipate claim 12 on this additional and independent basis.

**N. Dependent Claim 13.**

For all of the reasons listed above in section K., Pouschine does not anticipate claim 9.

**O. Independent Claim 14.**

Claim 14 is a system claim, but includes elements that perform functions corresponding to elements of some of the above listed claims. With respect to similar elements, Applicants will incorporate by reference the assertions made above.

**1. A memory device for storing a data structure in a multi-level hierarchy.**

With respect to this element, Applicants incorporate by reference the assertions made in section A.2. Particularly, there are quite fundamental differences between the Pouschine hierarchy and the claimed hierarchy. Specifically, the Pouschine hierarchy does not satisfy the claimed limitation that **“assumed variables positioned at a lower level of the hierarchy influence one or more assumed variables positioned at a higher level in the hierarchy.”** Because this limitation is not found in Pouschine, Pouschine cannot anticipate claim 14 on this independent basis.

**2. Means for authorizing a user to alter one or more assumed variables.**

With respect to this element, Applicants incorporate by reference the assertions made in section A.4. Particularly, it is not reasonable to conclude that the Pouschine references cited could read on the claimed limitation relating to authorizing users to alter assumptions under the conditions specified. Because this limitation is not found in Pouschine, Pouschine cannot anticipate claim 14 on this independent basis.

**3. A filter for selecting certain one of the assumed variables and altered assumed variables.**

On page 10 of the Office Action, the Examiner asserts that Pouschine provides the ability to filter certain assumed variables". On this basis, the Examiner asserts that Pouschine discloses the claim limitation of "a filter **for selecting** certain ones of the assumed variables and for selecting certain ones of the altered assumed variables". However, analysis of the two specifications shows that a Pouschine filter has no resemblance to the claimed Event/Assumptions filter, and vice versa.

There are five references to "filter", "filtering", or "filtered" in Pouschine (Pouschine at col. 29, line 2; col. 29, line 17; col. 29, line 20; col. 32, line 39; col. 32, line 47). All are from that part of the Pouschine specification that describes the Hyperstructure Query Language (HQL). HQL is "used for querying the DOLAP system for data". (Col. 25, line 55-56). There is no specific relationship between filters in HQL and User-Entered Values.

By contrast, the claimed Event/Assumptions filter is used to **select the events and assumptions that are relevant to the user** perspective that will be used to calculate the value creation outcomes in the claimed system.

The claimed system is neither a DOLAP system, nor does it use the Hyperstructure Query Language. It is therefore unreasonable to suggest that passing references in Pouschine to "filters" as part of the specifications of HQL could be interpreted as reading the claimed filter that **selects** the particular set of user-specified events and assumptions that are used to generate a value creation outcome in accordance with the system.

Because this limitation is not found in Pouschine, Pouschine cannot anticipate claim 14 on this additional and independent basis.

**4. A calculation engine for receiving certain variables from the filter and for determining an outcome for the financial stream of the business enterprise based on the variables.**

As discussed above, the Pouschine does not disclose calculating outcomes for a value stream of a business enterprise. Because Pouschine does not disclose this limitation, Pouschine cannot anticipate claim 14 on this independent basis.

Furthermore, the calculation engine in Pouschine does not operate in the same manner as the claimed calculation engine. The Pouschine calculation engine is described for example in col. 15, beginning at line 39. The focus of the calculation engine in Pouschine is the calculation of values which should be associated with the cells of the hyperstructure. The calculation engine depicted in Pouschine Figure 7 comprises an HQL parser, a Domain Modeling Rule Set, a Rule Evaluator, a Query Result Cache, a Query Engine, and Execution Plan, and a Result Extractor.

By contrast, the function of the claimed calculation engine is to determine financial and non-financial outcomes, based on the events and assumptions defined by users. As discussed above, **calculating cell values in a hyperstructure using the methods disclosed by Pouschine is fundamentally different from calculating financial or non-financial outcomes of value streams**, as set forth in claim 14. Therefore, on this additional independent basis, Pouschine cannot anticipate claim 14.

For all of the foregoing additional and independent reasons, Pouschine cannot anticipate claim 14 or any claims depending from claim 14 (e.g., claims 15-17).

**P. Dependent Claim 15.**

Claim 15 includes a limitation similar to claim 2 relating to a present value stream. Applicants incorporate the comments relating to claim 2 found in Section B. above. For these additional and independent reasons, Pouschine cannot anticipate claim 15.

**Q. Dependent Claim 16.**

For all of the reasons listed above in section O., Pouschine cannot anticipate claim 9.

**R. Dependent Claim 17.**

Claim 17 includes limitations similar to claim 4 relating to authorizing users to alter assumed variables, storing the identities of the users altering the variables, and determining alternate outcomes. Applicants incorporate the comments relating to claim 4 found in Section D. above. For these additional and independent reasons, Pouschine cannot anticipate claim 15.

**CONCLUSIONS**

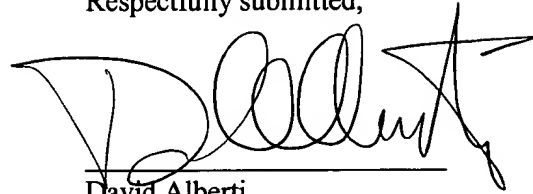
Applicants' invention is both novel and nonobvious over Pouschine for all of the various reasons set forth above. Pouschine does not teach each and every element of any of Applicants' claimed inventions.

For all of these reasons, Applicants respectfully assert that all of claims 1-22 are in condition for allowance. The Examiner's early reconsideration is respectfully requested. If the Examiner has any questions, the Examiner is invited to contact Applicants' attorney at the following address or telephone number:

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Amdt. dated November 13, 2003  
Reply to Office action of August 13, 2003  
Attorney Docket Number 2101197-991110

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Alberti', with a horizontal line drawn underneath it.

David Alberti  
Reg. No. 43,465

Dated: November 13, 2003